

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0285A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI
Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		8. Lease Name and Well No. CHAPITA WELLS UNIT 760-25
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. 43-047-39909
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon At proposed prod. zone SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
11. Sec., T., R., M., or Blk. and Survey or Area Sec 25 T9S R22E Mer SLB		
14. Distance in miles and direction from nearest town or post office* 50.6 MILES SOUTH OF VERNAL, UT	12. County or Parish UINTAH	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 401	16. No. of Acres in Lease 1800.00	17. Spacing Unit dedicated to this well
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 6	19. Proposed Depth 7060 MD	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5073 GL	22. Approximate date work will start	23. Estimated duration 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/08/2008
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 01-17-08
Title Office ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #57901 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

637431X  
4429773Y  
40.008863  
-109.389851

RECEIVED

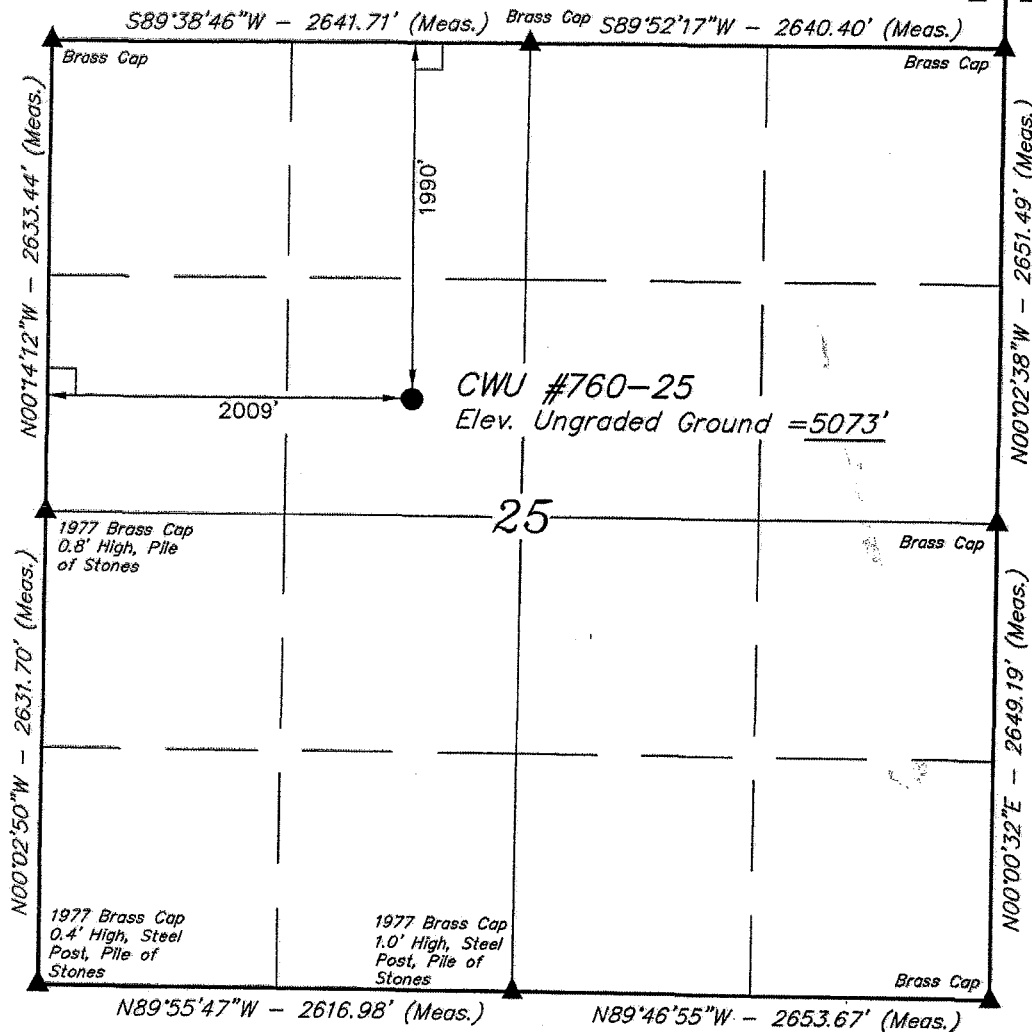
JAN 10 2008

DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

T9S, R22E, S.L.B.&M.

R  
22  
E  
R  
23  
E



**LEGEND:**

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 40°00'31.69" (40.008803)  
 LONGITUDE = 109°23'26.04" (109.390567)  
 (NAD 27)  
 LATITUDE = 40°00'31.81" (40.008836)  
 LONGITUDE = 109°23'23.59" (109.398886)

**EOG RESOURCES, INC.**

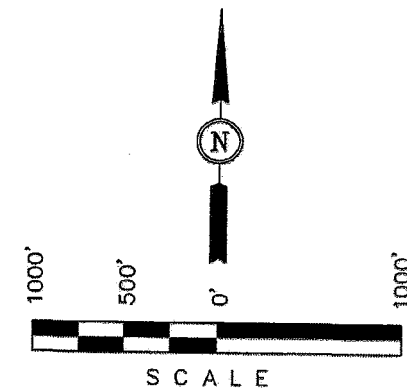
Well location, CWU #760-25, located as shown in the SE 1/4 NW 1/4 of Section 25, T9S, R22E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

143961  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 16159  
 STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-20-07	DATE DRAWN: 12-03-07
PARTY G.S. C.R. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 760-25 SE/NW, SEC. 25, T9S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,603		Shale	
Wasatch	4,598	Primary	Sandstone	Gas
Chapita Wells	5,186	Primary	Sandstone	Gas
Buck Canyon	5,856	Primary	Sandstone	Gas
North Horn	6,536	Primary	Sandstone	Gas
KMV Price River	6,853		Sandstone	
TD	7,060			

Estimated TD: 7,060 or 200'± below Sego top

Anticipated BHP: 3,855 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 760-25**  
**SE/NW, SEC. 25, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 760-25**  
**SE/NW, SEC. 25, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:** 127 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 517 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 760-25**  
**SE/NW, SEC. 25, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

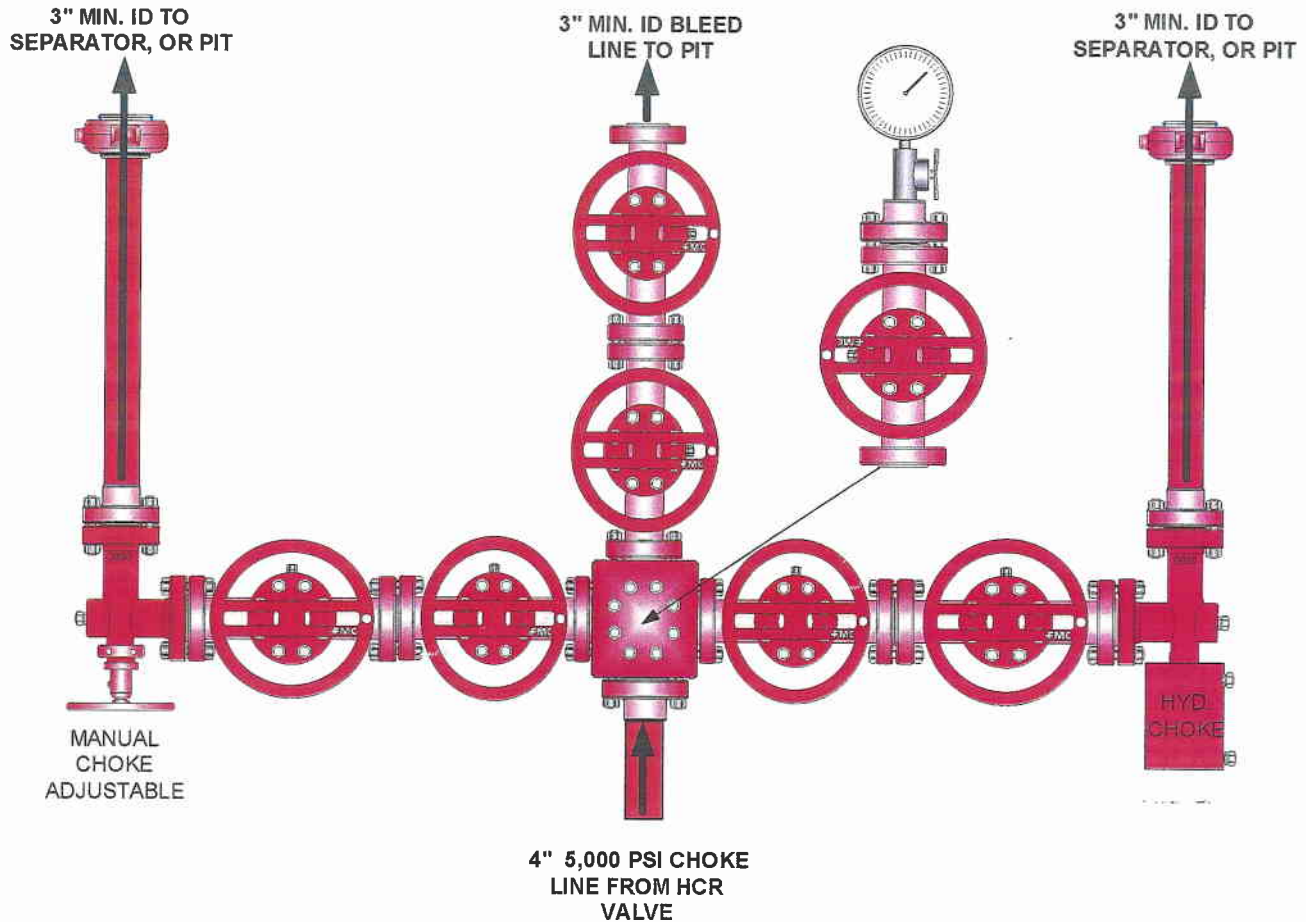
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF 2

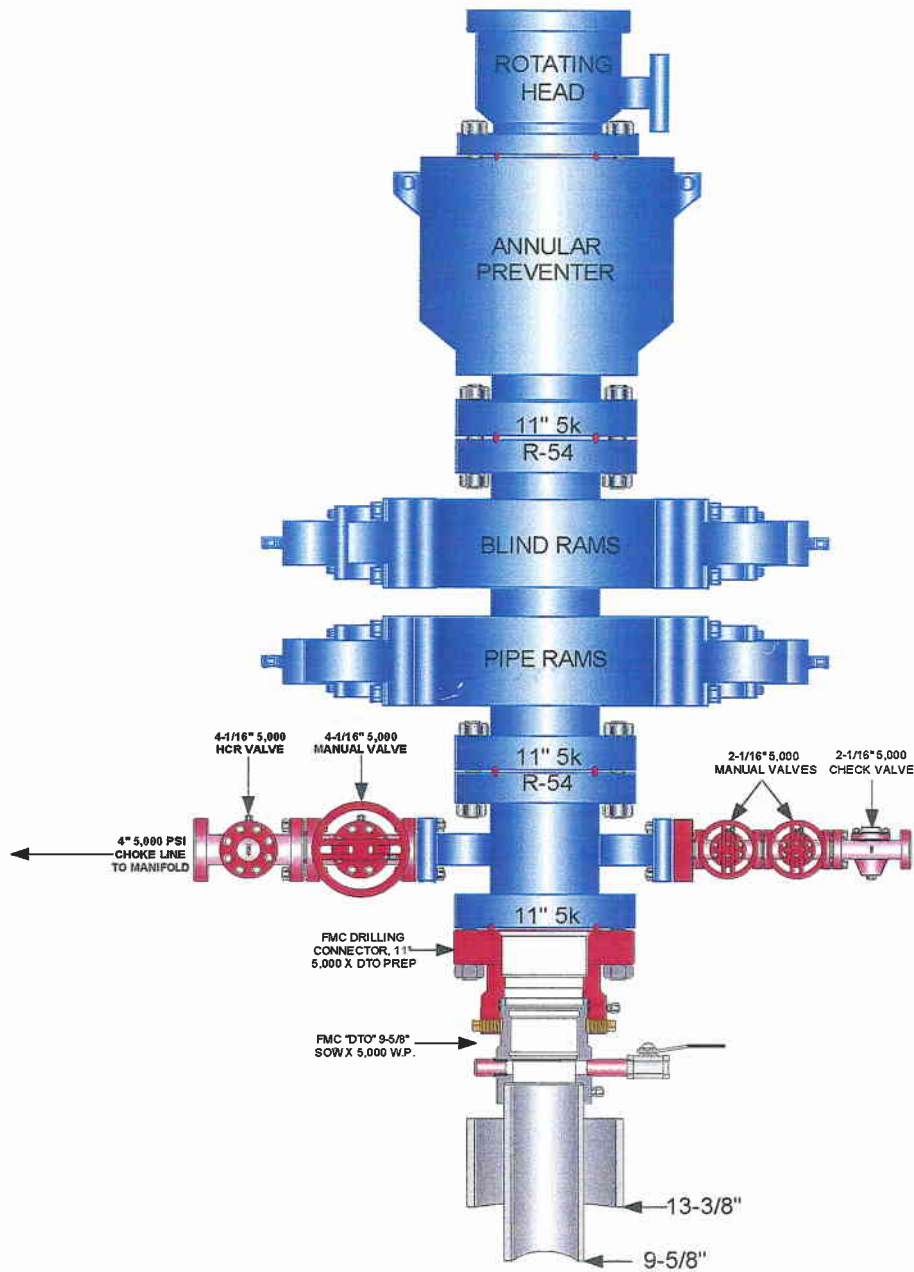


## Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

PAGE 1 OF 2







***Chapita Wells Unit 760-25  
SE1/4, Section 25, T9S, R22E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The access road is approximately 360 feet long with a 40 foot right-of-way containing 0.33 acres more or less. New surface disturbance associated with the well pad and access road is estimated to be 2.58 acres.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 50.6 miles south of Vernal, Utah – See attached TOPO Map "A"
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 360' in length, Culvert's will be used as needed. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

No off lease right-of-way will be required. The entire length of the proposed access road is located within the Chapita Wells Unit.

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

No new off well pad pipeline will be required.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

1. Cuttings will be confined in the reserve pit.
  2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or

removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

#### **8. ANCILLARY FACILITIES:**

None anticipated.

#### **9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## 10. PLANS FOR RECLAMATION OF THE SURFACE:

### A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

### B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Fourwing Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**

**12. OTHER INFORMATION:**

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and submitted by Intermountain Paleo Consultants.



***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

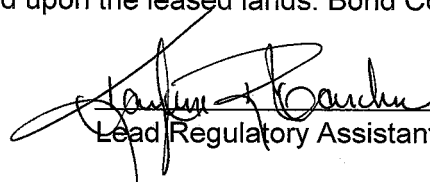
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 760-25 Well, located in the SENW, of Section 25, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 7, 2008  
Date

  
Lead Regulatory Assistant

# EOG RESOURCES, INC.

CWU #760-25

LOCATED IN UTAH COUNTY, UTAH  
SECTION 25, T9S, R22E, S.L.B.&M.

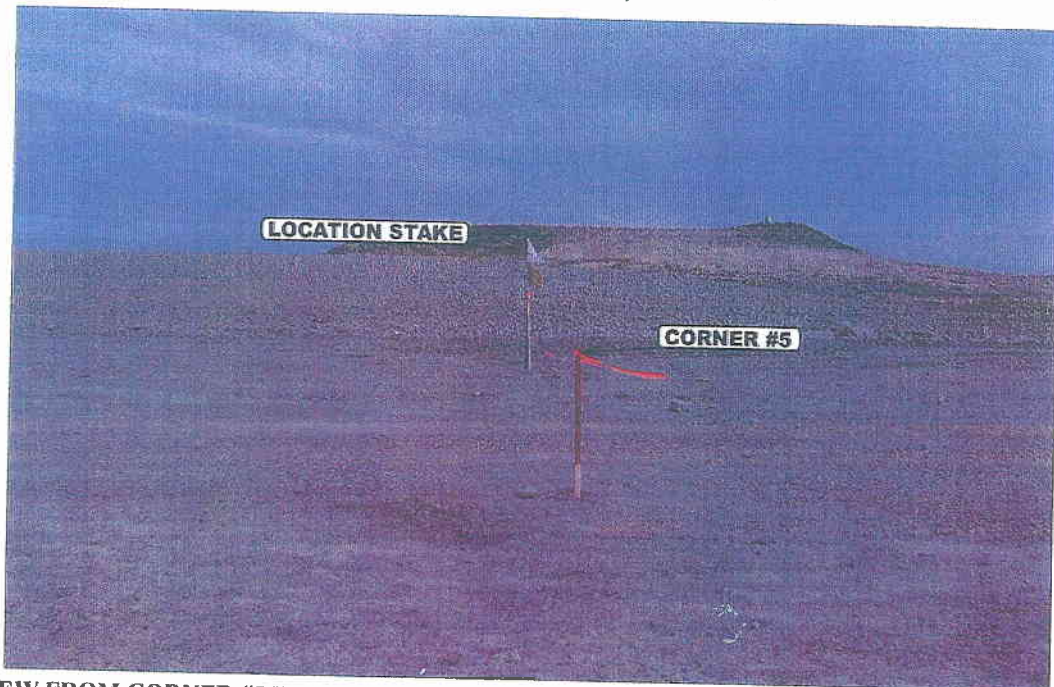


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

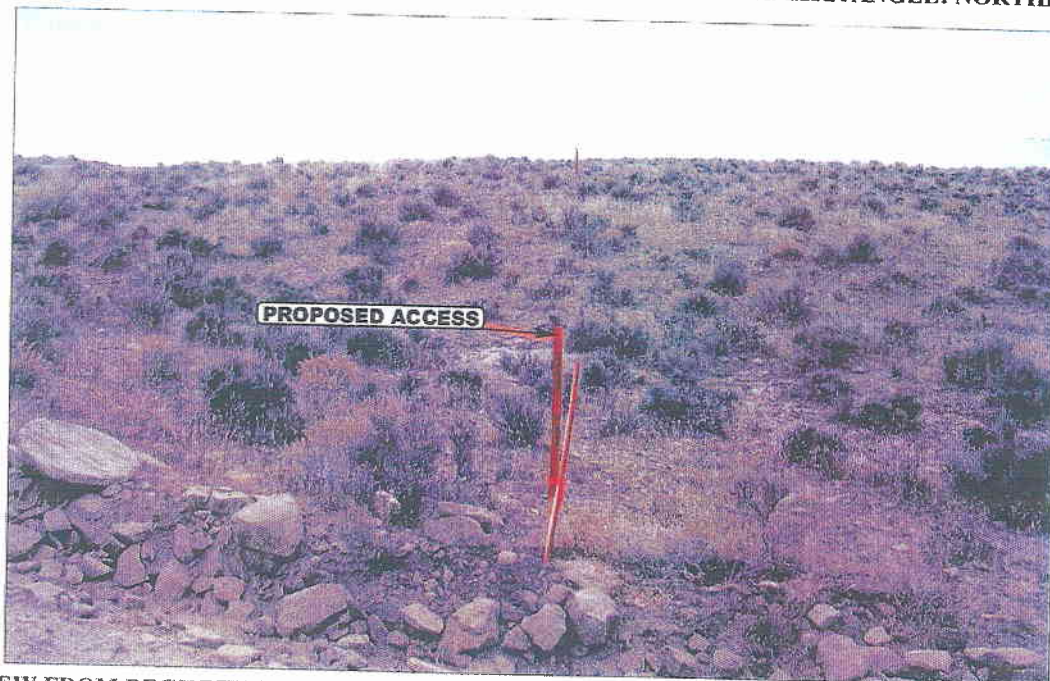


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

11 29 07  
MONTH DAY YEAR

PHOTO

TAKEN BY: C.R.

DRAWN BY: C.P.

REVISED: 00-00-00

EOG RESOURCES, INC.  
CWU #760-25  
SECTION 25, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 360' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.6 MILES.

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



# EOG RESOURCES, INC.

## TYPICAL CROSS SECTIONS FOR

CWU #760-25

SECTION 25, T9S, R22E, S.L.B.&M.

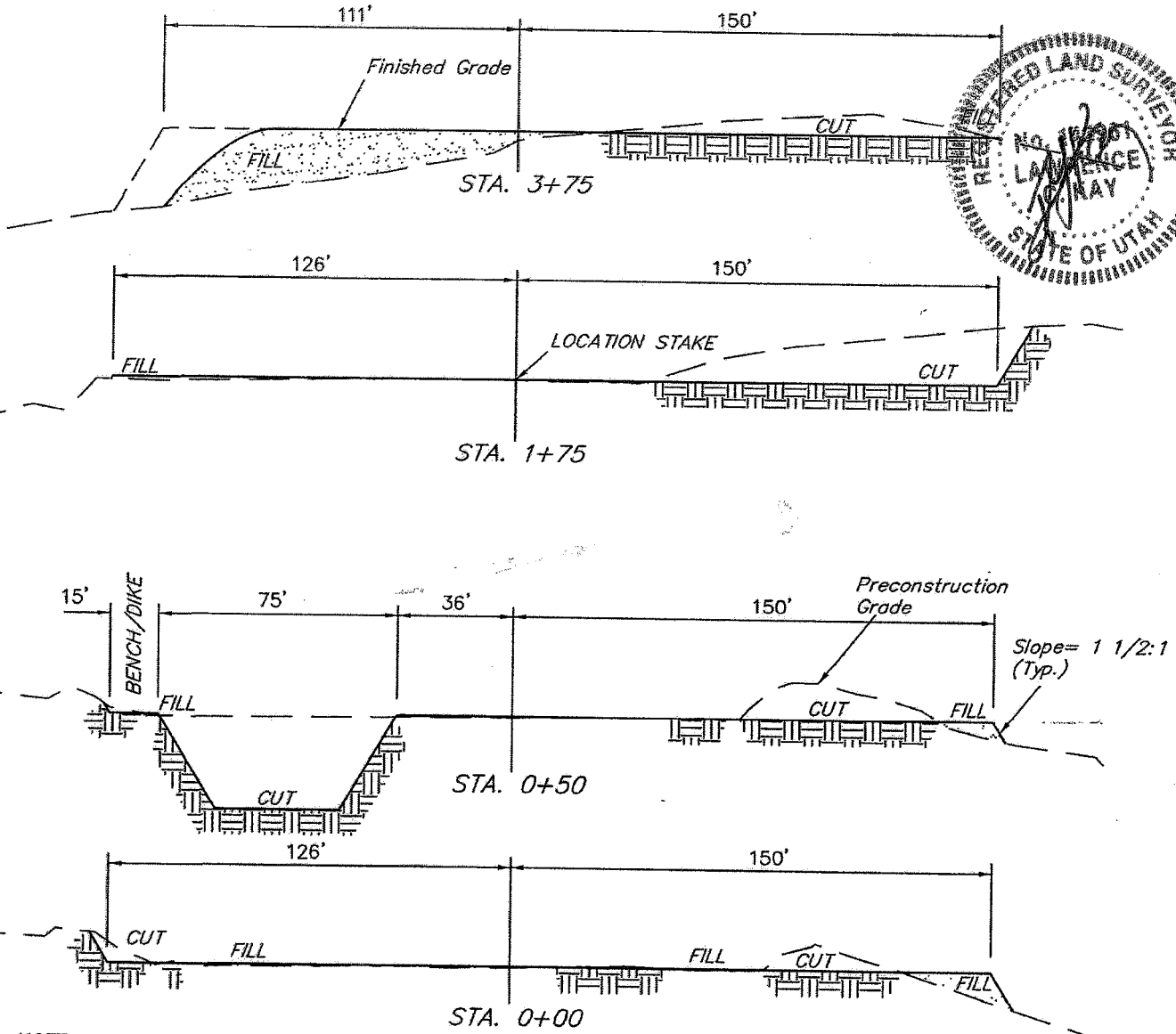
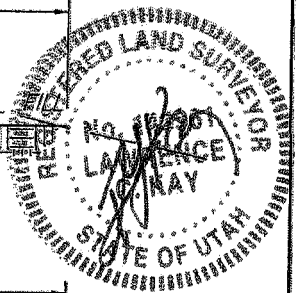
1990' FNL 2009' FWL

FIGURE #2

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 12-03-07

Drawn By: C.H.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### \* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,060 Cu. Yds.  
Remaining Location = 8,520 Cu. Yds.  
  
TOTAL CUT = 9,580 CU.YDS.  
FILL = 2,920 CU.YDS.

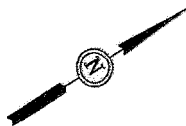
EXCESS MATERIAL = 6,660 Cu. Yds.  
Topsoil & Pit Backfill = 3,080 Cu. Yds.  
(1/2 Pit Vol.)  
EXCESS UNBALANCE = 3,580 Cu. Yds.  
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR

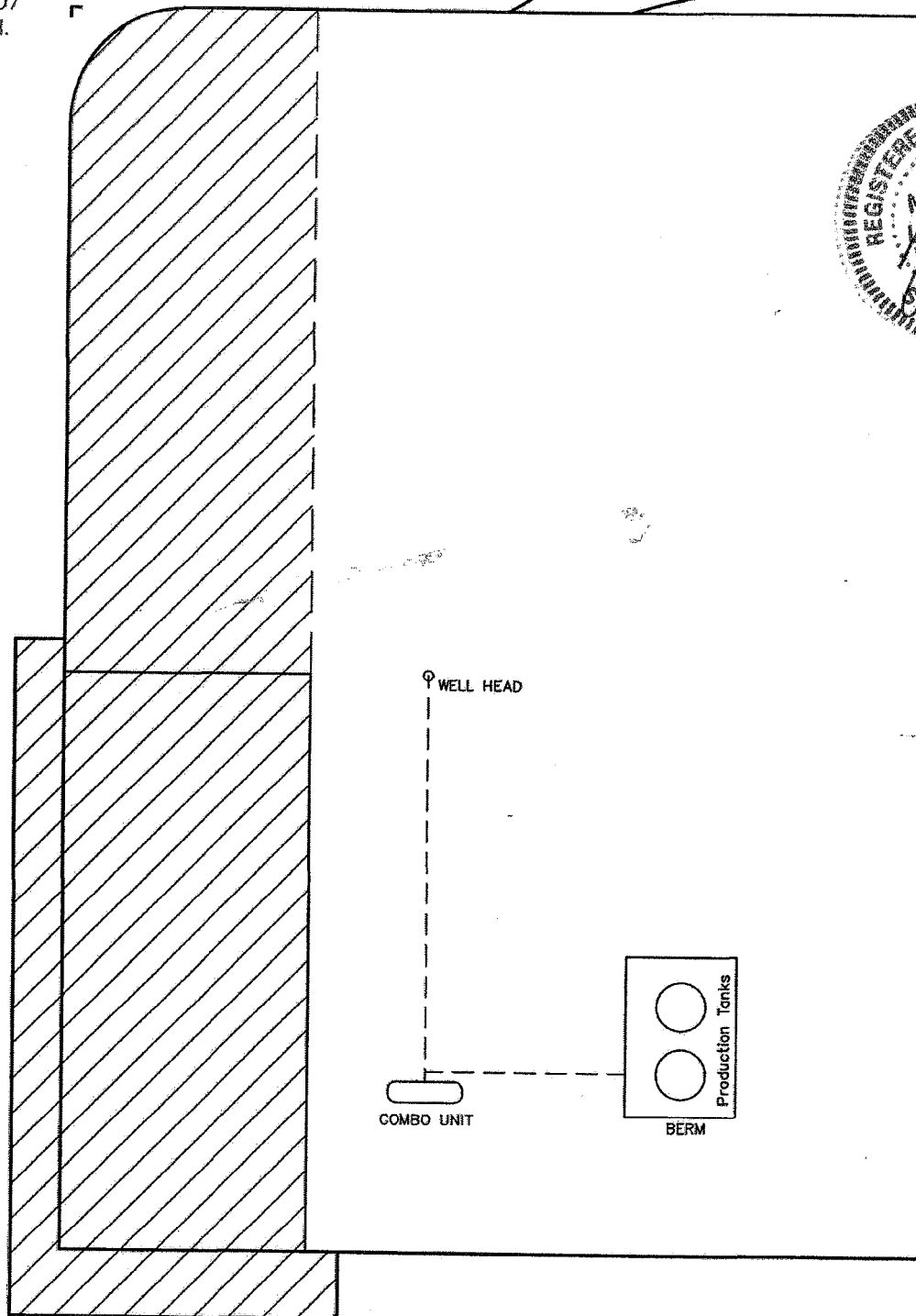
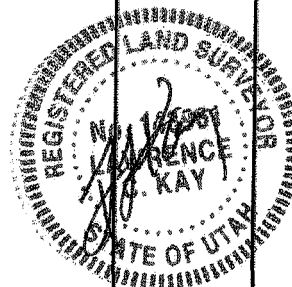
CWU #760-25  
SECTION 25, T9S, R22E, S.L.B.&M.  
1990' FNL 2009' FWL


FIGURE #3



SCALE: 1" = 50'  
DATE: 12-03-07  
Drawn By: C.H.

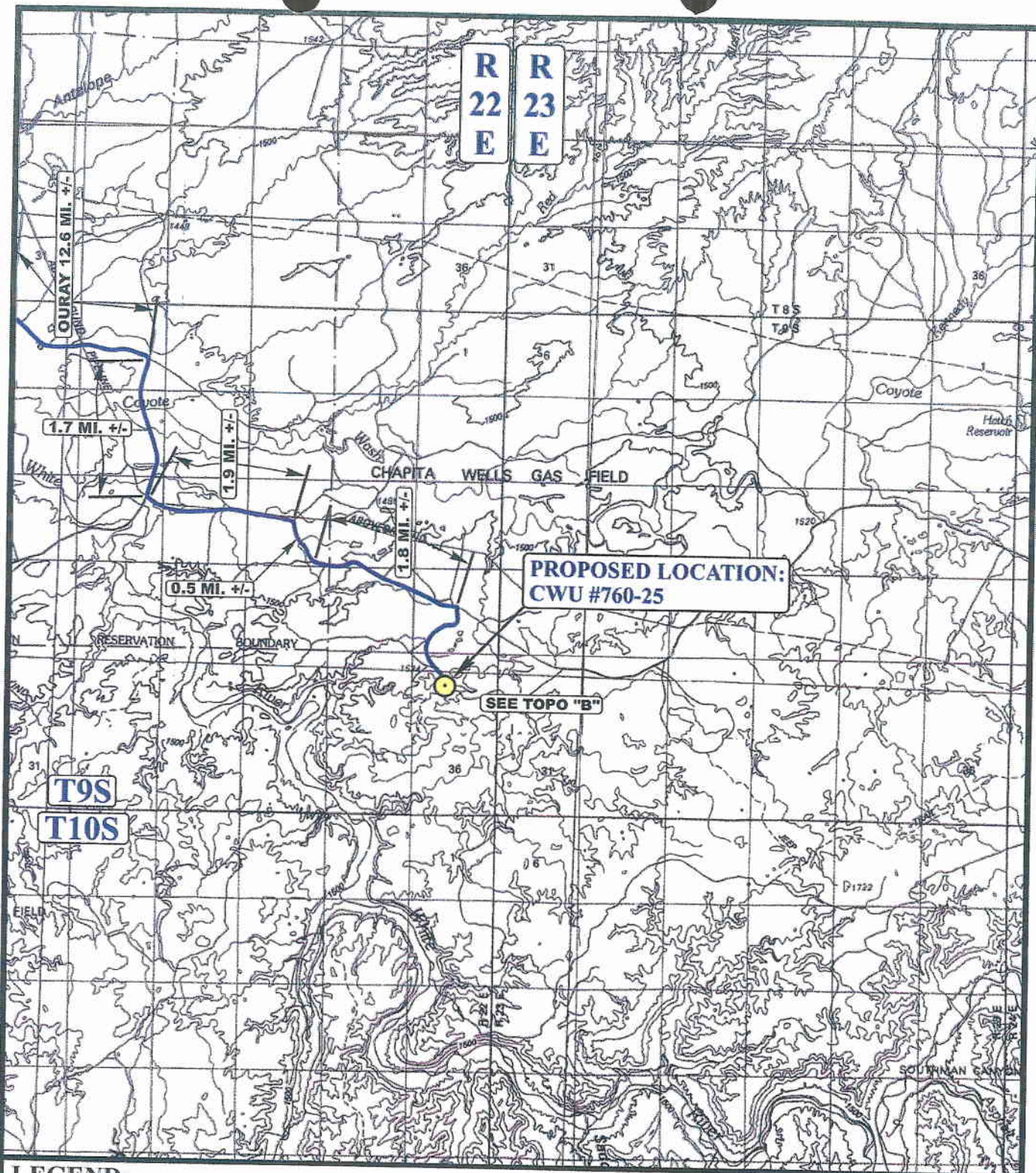
Existing Road



 RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017





# **LEGEND:**

● PROPOSED LOCATION

N

**EOG RESOURCES, INC.**

**CWU #760-25**

**SECTION 25, T9S, R22E, S.L.B.&M.**

**1990' FNL 2009' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

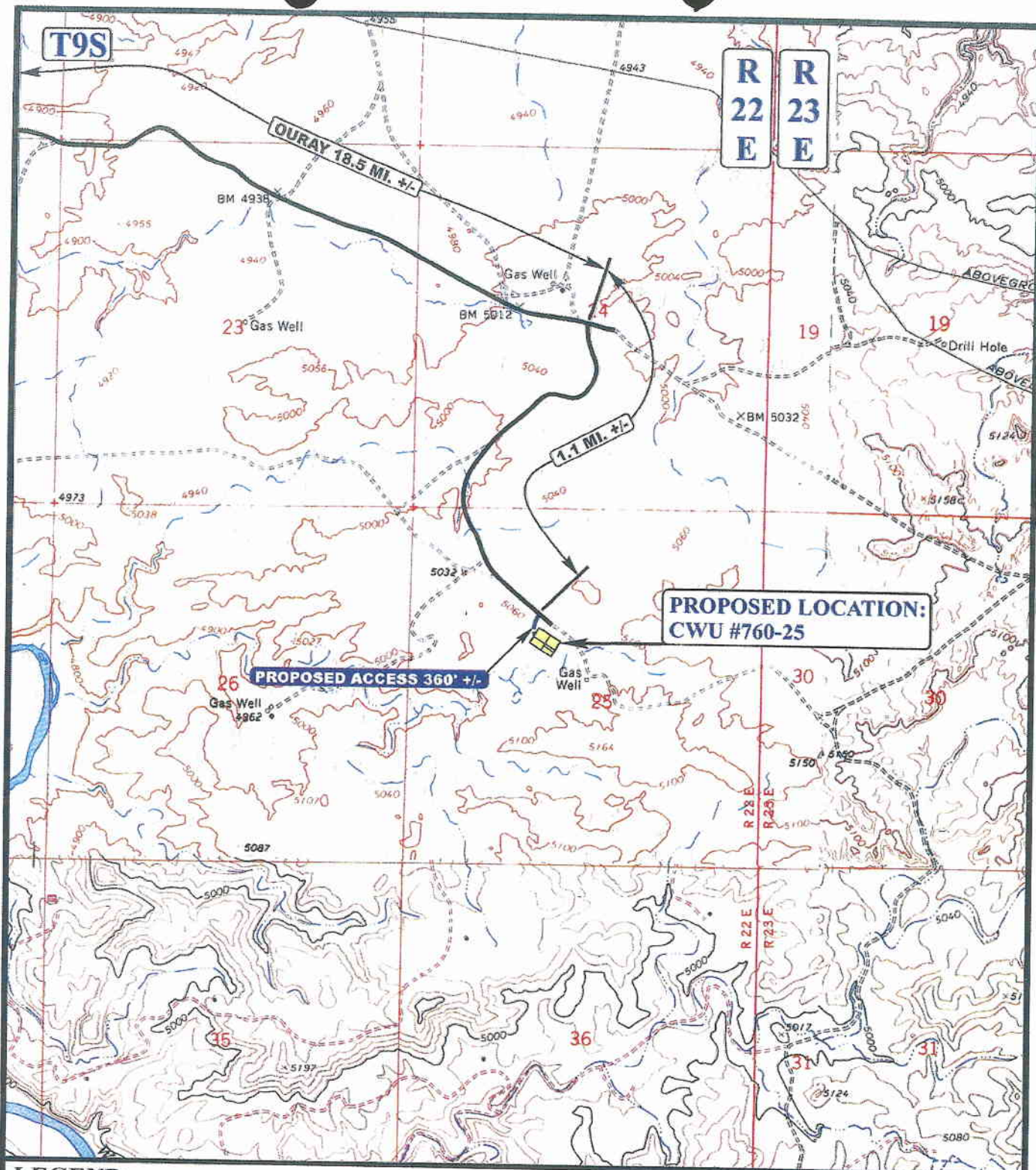
**11 29 07**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.P.

REVISED: 00-00-00







# **LEGEND:**

— EXISTING ROAD  
 - - - PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**CWU #760-25**  
**SECTION 25, T9S, R22E, S.L.B.&M.**  
**1990' FNL 2009' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

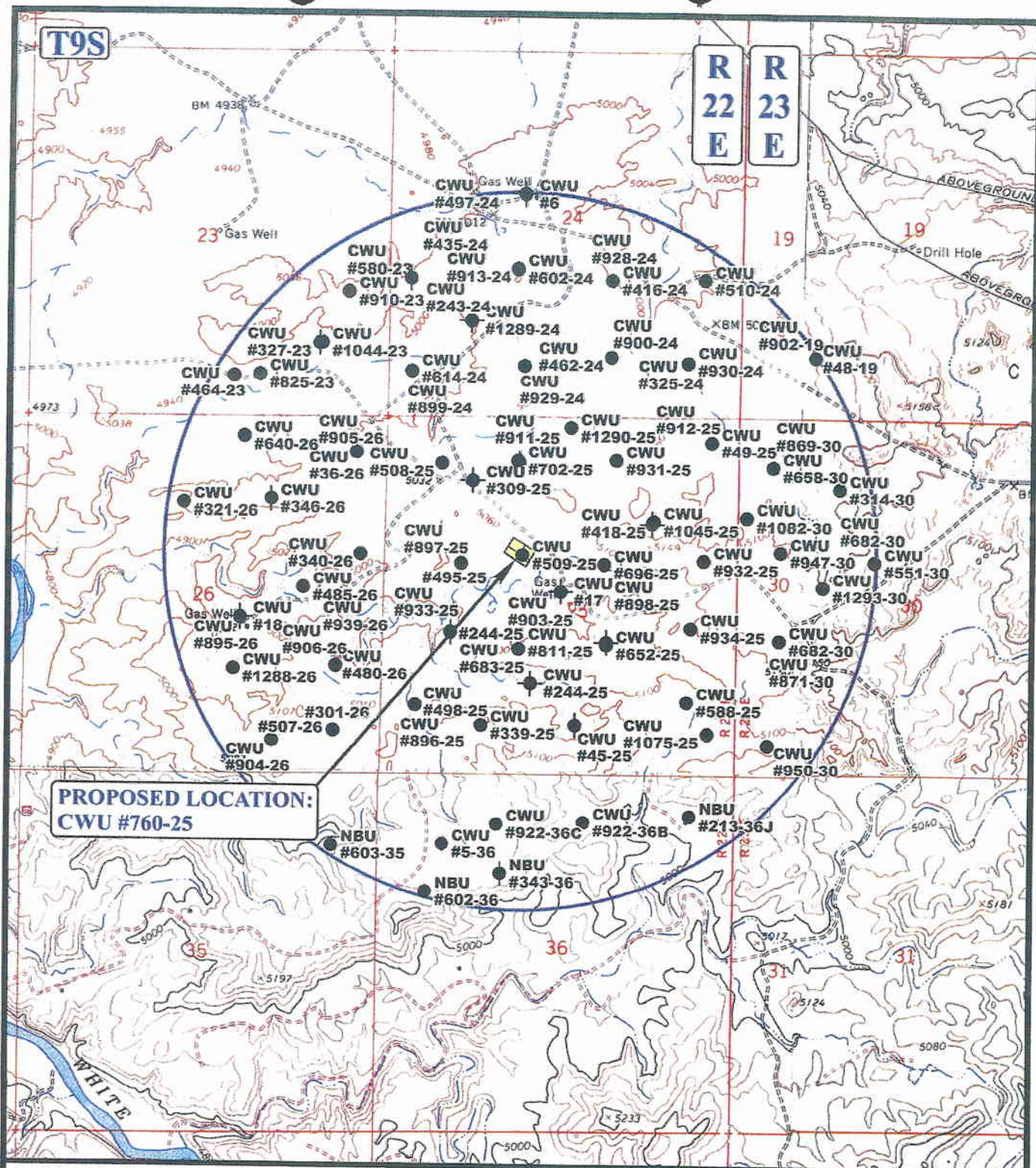
**TOPOGRAPHIC**  
**MAP**

**11 29 07**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B**  
**TOPO**





**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/10/2008

API NO. ASSIGNED: 43-047-39909

WELL NAME: CWU 760-25

OPERATOR: EOG RESOURCES, INC. ( N9550 )

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SE NW 25 090S 220E

SURFACE: 1990 FNL 2009 FWL

BOTTOM: 1990 FNL 2009 FWL

COUNTY: Uintah

LATITUDE: 40.00886 LONGITUDE: -109.3899

UTM SURF EASTINGS: 637431 NORTHINGS: 4429773

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU0285A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: *WSTC*

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM 2308 )

*N* Potash (Y/N)

*Y* Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit  
(No. 49-225 )

*N* RDCC Review (Y/N)  
(Date: )

*NA* Fee Surf Agreement (Y/N)

*NA* Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit: NATURAL BUTTES

\_\_\_ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

\_\_\_ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: *1798*

Eff Date: *8-10-1999*

Siting: *Suspends General Siting*

\_\_\_ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

*1- Federal Approval*  
*2- ON SHALE*





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160  
(UT-922)

January 16, 2008

**Memorandum**

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2008 Plan of Development Chapita Wells Unit Uintah  
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ MesaVerde)

43-047-39907 CWU 1208-24 Sec 24 T09S R22E 0757 FNL 2238 FEL  
43-047-39908 CWU 1209-24 Sec 24 T09S R22E 2400 FNL 0672 FEL

(Proposed PZ Wasatch)

43-047-39904 CWU 0763-14 Sec 14 T09S R22E 2531 FNL 1649 FEL  
43-047-39905 CWU 0762-15 Sec 15 T09S R22E 0064 FNL 0565 FWL  
43-047-39906 CWU 0761-22 Sec 22 T09S R22E 0401 FSL 1046 FWL  
43-047-39909 CWU 0760-25 Sec 25 T09S R22E 1990 FNL 2009 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:1-16-08



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

January 17, 2008

EOG Resources, Inc  
1060 East Highway 40  
Vernal, UT 84078

Re: Chapita Wells Unit 760-25 Well, 1990' FNL, 2009' FWL, SE NW, Sec. 25, T. 9 South,  
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39909.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office



Operator: EOG Resources, Inc  
Well Name & Number Chapita Wells Unit 760-25  
API Number: 43-047-39909  
Lease: UTU0285A

Location: SE NW                      Sec. 25                      T. 9 South                      R. 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office      (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

JAN 08 2008

BLM

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0285A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		7. If Unit or CA Agreement, Name and No. UTU63013A <i>AE</i>
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	8. Lease Name and Well No. CWU 760-25
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon At proposed prod. zone SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon		9. API Well No. <i>43 047 39909</i>
14. Distance in miles and direction from nearest town or post office* 50.6 MILES SOUTH OF VERNAL, UT		10. Field and Pool, or Exploratory NATURAL BUTTES / <i>Watch</i>
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 401	16. No. of Acres in Lease <i>1800</i>	11. Sec., T., R., M., or Blk. and Survey or Area Sec 25 T9S R22E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 6	19. Proposed Depth 7060 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5073 GL	22. Approximate date work will start	13. State UT
23. Estimated duration 45 DAYS		17. Spacing Unit dedicated to this well

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/08/2008
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) <i>John Jenkins</i>	Date <i>5-5-2008</i>
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. **CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #57901 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 01/08/2008 (08GXJ1440AE)

UDOGH

NOTICE OF APPROVAL

RECEIVED

MAY 08 2008

DIV. OF OIL, GAS & MINING

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

08CXSC06SAE

NOS: 12/06/2007



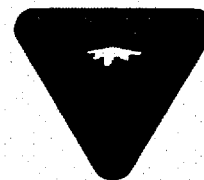


UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources, Inc.  
Well No: CWU 760-25  
API No: 43-047-39909

Location: SENW, Sec. 25, T9S, R22E  
Lease No: UTU-0285A  
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

***Site Specific COAs:***

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
  - 9 lbs HyCrest Wheatgrass and 3 lbs Kochia
- All the culverts will be installed according to the BLM Gold Book.
- The road and well pad will have road base on the surface.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

***DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

**SITE SPECIFIC DOWNHOLE COAs:**

- The conductor pipe shall be set and cemented in a competent formation
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A 75 foot long blooie line is approved. All other equipment for air/gas drilling shall specifications in Onshore Order #2, III. Requirements, E. Special Drilling Operations.
- Logging program: Gamma Ray shall be run from TD to surface.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from

KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

5. Lease Serial No.  
**Multiple (See Attached)**
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.  
**Chapita Wells Unit**
8. Well Name and No.  
**Multiple (See Attached)**
9. API Well No.  
**Multiple (See Attached)**
10. Field and Pool, or Exploratory Area  
**Natural Buttes**
11. County or Parish, State  
**Uintah County, Utah**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**EOG Resources, Inc.**

3a. Address  
**1060 E. HWY 40 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-789-0790**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**43 047 39909**  
**CWU 760-25**  
**9S 22E 25**  
**Multiple (See Attached)**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Air Drilling Variance</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>Request</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests authorization for air drilling operations, see attached.

**COPY SENT TO OPERATOR**

Date: 10.14.2008

Initials: KS

**RECEIVED**

**SEP 22 2008**

**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Mickenzie Thacker** Title **Operations Clerk**

Signature Mickenzie Thacker Date **09/17/2008**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by [Signature] Title **Pet. Eng.** Date **10/7/08**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office **DOGM** Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



API #	Lease #	Well Name	Footages	¼-¼ Legal Description
43-047-38495	UTU-0281	CWU 541-03	712' FSL 2088' FWL	SESW Sec. 3 T9S R22E
43-047-39902	UTU-29535	CWU 705-29	1354' FNL 957' FWL	SWNW Sec. 29 T9S R23E
43-047-39054	UTU-0343	CWU 715-07	650' FNL 1950' FEL	NWNE Sec. 7 T9S R23E
43-047-39896	UTU-0337	CWU 727-29	473' FNL 2136' FWL	NENW Sec. 29 T9S R23E
43-047-39724	UTU-0337	CWU 728-29	608' FNL 513' FEL	NENE Sec. 29 T9S R23E
43-047-39617	UTU-0337	CWU 729-29	2039' FNL 1944' FEL	SWNE Sec. 29 T9S R23E
43-047-39723	UTU-0337	CWU 730-29	1972' FSL 2201' FWL	NESW Sec. 29 T9S R23E
43-047-39789	UTU-0336	CWU 733-33	576' FNL 1880' FWL	NENW Sec. 33 T9S R23E
43-047-39725	UTU-0336	CWU 734-33	512' FNL 2158' FEL	NWNE Sec. 33 T9S R23E
43-047-39684	UTU-0336	CWU 735-33	1884' FNL 729' FWL	SWNW Sec. 33 T9S R23E
43-047-39682	UTU-0336	CWU 736-33	2050' FNL 2182' FEL	SWNE Sec. 33 T9S R23E
43-047-39924	UTU-0281	CWU 752-10	882' FSL 350' FWL	SWSW Sec. 10 T9S R22E
43-047-39933	UTU-0285-A	CWU 758-25	2075' FNL 534' FEL	SENE Sec. 25 T9S R22E
43-047-39909	UTU-0285-A	CWU 760-25	1990' FNL 2009' FWL	SENW Sec. 25 T9S R22E
43-047-39904	UTU-0282	CWU 763-14	2531' FNL 1649' FEL	SWNE Sec. 14 T9S R22E
43-047-39690	UTU-010956	CWU 935-25	762' FSL 1453' FWL	SESW Sec. 25 T9S R22E
43-047-39654	UTU-0283-A	CWU 1020-15	2110' FSL 1814' FEL	NWSE Sec. 15 T9S R22E
43-047-39594	UTU-0282	CWU 1062-14	1756' FSL 1853' FWL	NESW Sec. 14 T9S R22E
43-047-39912	UTU-0336-A	CWU 1072-28	2165' FSL 534' FWL	NWSW Sec. 28 T9S R23E
43-047-39186	UTU-010956	CWU 1075-25	627' FSL 412' FEL	SESE Sec. 25 T9S R22E
43-047-39689	UTU-010956	CWU 1080-25	460' FSL 1822' FWL	SESW Sec. 25 T9S R22E
43-047-39678	UTU-010956	CWU 1081-25	461' FSL 445' FWL	SWSW Sec. 25 T9S R22E
43-047-39640	UTU-0337	CWU 1126-29	1864' FNL 2171' FWL	SENW Sec. 29 T9S R23E

### **Air Drilling Operations:**

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

### **VARIANCE REQUESTS:**

#### **Reference: Onshore Oil and Gas Order No. 1**

#### **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
2. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 760-25

Api No: 43-047-39909 Lease Type: FEDERAL

Section 25 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

### **SPUDDED:**

Date 11/06/08

Time 2:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 11/06/08 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES  
Address: 1060 East Highway 40  
city VERNAL  
state UT zip 84078

Operator Account Number: N 9550

Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39909	CHAPITA WELLS UNIT 760-25		SE	25	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	<u>4905</u>	11/6/2008		<u>11/10/08</u>		
Comments: <u>WASATCH</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

11/7/2008

Title

Date

**RECEIVED**

**NOV 10 2008**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

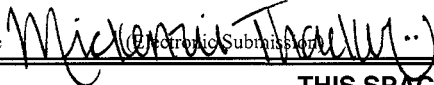
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0285A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 E. HWY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3b. Phone No. (include area code) Ph: 435-781-9145		8. Well Name and No. CHAPITA WELLS UNIT 760-25
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T9S R22E SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon		9. API Well No. 43-047-39909
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 11/6/2008.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #64549 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature 	Date 11/07/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**NOV 12 2008**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0285A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
Contact: MICKENZIE THACKER E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3a. Address 1060 E. HWY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 453-781-9145	8. Well Name and No. CHAPITA WELLS UNIT 760-25
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T9S R22E SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon		9. API Well No. 43-047-39909
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 3/5/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #67942 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature <i>Mickenzie Thacker</i>	Date 03/11/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED**

**RECEIVED**  
**MAR 16 2009**  
DIV. OF OIL, GAS & MINING



# WELL CHRONOLOGY REPORT

Report Generated On: 03-11-2009

<b>Well Name</b>	CWU 760-25	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS UNIT	<b>API #</b>	43-047-39909	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	01-22-2009	<b>Class Date</b>	03-05-2009
<b>Tax Credit</b>	N	<b>TVD / MD</b>	7,060/ 7,060	<b>Property #</b>	062702
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	5,042/ 5,042
<b>KB / GL Elev</b>	5,086/ 5,073				
<b>Location</b>	Section 25, T9S, R22E, SENW, 1990 FNL & 2009 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.25

AFE No		306142		AFE Total		1,262,000		DHC / CWC		657,700/ 604,300													
Rig Contr		ELENBURG		Rig Name		ELENBURG #28		Start Date		02-13-2008		Release Date		01-29-2009									
02-13-2008		Reported By		CYNTHIA HANSELMAN																			
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation : WASATCH				PBTD : 0.0				Perf :				PKR Depth : 0.0											

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1990' FNL & 2009' FWL (SE/NW)
			SECTION 25, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.008803, LONG 109.390569 (NAD 83)
			LAT 40.008839, LONG 109.389889 (NAD 27)
			ELENBURG #28
			OBJECTIVE: 7060' MD, WASATCH
			DW/GAS
			CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			LEASE: UTU 0285A
			ELEVATION: 5073.1' NAT GL, 5073.1' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5073') 5086' KB (13')
			EOG WI 100%, NRI 82.25%

<b>10-23-2008</b>	<b>Reported By</b>	TERRY CSERE
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<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	LOCATION STARTED.		

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<b>10-24-2008</b>	<b>Reported By</b>	TERRY CSERE			
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	LOCATION 10% COMPLETE.		

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<b>10-27-2008</b>	<b>Reported By</b>	TERRY CSERE			
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.		

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<b>10-28-2008</b>	<b>Reported By</b>	TERRY CSERE			
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	DRILLING ROCK.		

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<b>10-29-2008</b>	<b>Reported By</b>	TERRY CSERE			
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	DRILLING ROCK.		

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<b>10-30-2008</b>	<b>Reported By</b>	TERRY CSERE			
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING SATURDAY.

10-31-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING SATURDAY.

11-03-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-04-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-05-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-06-2008 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

11-07-2008 Reported By TERRY CSERE/JERRY BARNES

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 11/06/08 @ 2:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/06/08 @ 1:30 PM.

11-19-2008 Reported By LES FARNSWORTH

<b>DailyCosts: Drilling</b>	\$247,099	<b>Completion</b>	\$0	<b>Daily Total</b>	\$247,099
<b>Cum Costs: Drilling</b>	\$322,099	<b>Completion</b>	\$0	<b>Well Total</b>	\$322,099
<b>MD</b>	2,383	<b>TVD</b>	2,383	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIGS DRILLING RIG # 2 ON 11/8/2008. DRILLED 12-1/4" HOLE TO 2370' GL (2383' KB). ENCOUNTERED WATER @ 1090'. FLUID DRILLED HOLE FROM 1090' WITH NO LOSSES. RAN 55 JTS (2361.55') OF 9-5/8", 36.0#, J-55, STC CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. TAGGED BOTTOM @ 2368' WITH JOINT # 56 LAID DOWN JOINT # 56. LANDED @ 2374' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 189 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (182.5 BBLS) OF PREMIUM LEAD CEMENT W/ 0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/ 300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/189 BBLS FRESH WATER. BUMPED PLUG W/ 1032# @ 3:22 AM, 11/13/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 30 BBLS INTO FRESH WATER FLUSH. LOST RETURNS AT 150 BBLS INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. RDMO HALLIBURTON CEMENTERS. WOC 3 DAYS.

TOP JOB # 2: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HRS.

TOP JOB # 3: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 4 TOOK SURVEYS WHILE DRILLING HOLE @ 1300' = 1.5 DEGREE & 2340' = 3 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 90.0 VDS= 89.9 MS= 89.9

9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 89.9

JERRY JENKINS EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 11/09/2008 @ 3:48 P.M.

01-22-2009		Reported By		MATT WILLIAMS/DAVID FOREMAN											
DailyCosts: Drilling		\$67,596		Completion		\$0		Daily Total		\$67,596					
Cum Costs: Drilling		\$389,695		Completion		\$0		Well Total		\$389,695					
MD	2,383	TVD	2,383	Progress	0	Days	0	MW	0.0	Visc	0.0				
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0			
Activity at Report Time: PU BHA															
Start	End	Hrs	Activity Description												
06:00	06:30	0.5	SAFTEY MEETING WITH HOWCROFT AND RIG CREW.												
06:30	20:00	13.5	RIG DOWN INSTALL NIGHT CAP W/ FMC MOVE 2. MILES TO CWU 760-25 W/ HOWCROFT RIG UP SET BOP TEST DTO HEAD TO 5000 PSI. W/ FMC LOCK DOWN BOP. RAISE DERRICK SPOT TANKS, PUMPS, GROUND SUPPORT, CONT TO RIG UP. RIG REPAIR F/ 08:30 TO 13:30, 5 HRS (WHEELS RAN OFF MIDDLE AXLE, REPLACE STUDS IN AXLE.)												
20:00	00:00	4.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 20:00 HRS, 1/21/09.												
00:00	05:30	5.5	RIG UP B&C QUICK TEST,& TEST BOP.PIPE RAMS,BLIND RAMS,ALL KILL LINE VALVES,CHOKE LINE & MANIFOLD,HCR,KELLY UPPER & LOWER KELLY VALVES,SAFETY VALVE,DART VALVE,ALL TO 250 PSI LOW & 5000 PSI HIGH, ANNULAR 250 PSI LOW 2500 HIGH, SURFACE CSG.1500 PSI GOOD TEST. WITNESS ROBERT PICKERING B&C QUICK TEST,												
05:30	06:00	0.5	INSTALL WEAR BUSHING. P/U MOTOR M/U BIT TRIP IN W/ BHA.												
ACCIDENTS NONE REPORTED.															
SET CROWN-O-MATIC.															
SAFETY MEETING: RIG MOVE & LOADING PIPE RACKS.															
CREWS FULL.															
FUEL ON HAND: 6675 GALS. USED 786 GALS, RECIEVED 4500 GALS.															
MUD LOGGER UNMANED ON LOCATION F/ 1/21/09.= 1 DAYS.															

<b>01-23-2009</b>		<b>Reported By</b>		DAVID FOREMAN							
<b>DailyCosts: Drilling</b>		\$40,631		<b>Completion</b>		\$0		<b>Daily Total</b>		\$40,631	
<b>Cum Costs: Drilling</b>		\$430,326		<b>Completion</b>		\$0		<b>Well Total</b>		\$430,326	
<b>MD</b>	3,995	<b>TVD</b>	3,995	<b>Progress</b>	1,612	<b>Days</b>	1	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

**Activity at Report Time: DRILLING @ 3995'**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	P/U BHA INSTALL ROT HEAD.
07:30	08:30	1.0	CUT DRILL LINE 45 FT.
08:30	09:30	1.0	FINISH TRIP IN TAG CEMENT @ 2318'.
09:30	11:30	2.0	DRILL CEMENT/FLOAT EQUIP.F/ 2318 TO 2383' SHOE DEPTH + 10' OF FORMATION & CHG. OUT ROTATING RUBBER.
11:30	12:00	0.5	FIT W/ 290 PSI.+ 8.8 MUD WT. = 11.1 EMW. START PREMIX IN TO SYSTEM.
12:00	16:30	4.5	DRILL ROTATE F/ 2393' TO 2848'=455' ROP 101.1 WOB 14/16 MUD WT. 9.1 VIS.36.
16:30	17:00	0.5	WLS @ 2770' 1/2 DEG.
17:00	21:30	4.5	DRILL ROTATE F/ 2848' TO 3216'=368' ROP 81.7 WOB 16/18 MUD WT. 9.1 VIS. 37.
21:30	22:00	0.5	SERVICE RIG
22:00	04:30	6.5	DRILL ROTATE F/ 3216' TO 3889'=673' ROP 103.5 WOB 18/20 MUD WT. 9.1 VIS. 37.
04:30	05:00	0.5	SURVEY@ 3811' 2 3/4 DEG.
05:00	06:00	1.0	DRILL ROTATE F/ 3889' TO 3995'=106' ROP 106 WOB 18/20 MUD WT. 9.1 VIS. 37. BOP DRILL 1

ACCIDENTS NONE REPORTED.

SET &amp; CHECK CROWN-O-MATIC.

SAFETY MEETING: PPI &amp; DRILLS

CREWS FULL.

FUEL ON HAND: 5480GALS. USED 1095 GALS, RECIEVED GALS.

MUD LOGGER UNMANED ON LOCATION F/ 1/21/09.= 2 DAYS.

06:00

SPUD 7 7/8" HOLE W/ROTARY TOOLS @ 12:00 HRS, 1/22/09.

01-24-2009		Reported By		DAVID FOREMAN							
DailyCosts: Drilling		\$26,555		Completion		\$0		Daily Total		\$26,555	
Cum Costs: Drilling		\$456,881		Completion		\$0		Well Total		\$456,881	
MD	5,137	TVD	5,137	Progress	1,142	Days	2	MW	10.1	Visc	37.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

**Activity at Report Time: DRILLING @ 5137'**

Start	End	Hrs	Activity Description
06:00	06:30	0.5	CIRC.COND. MUD AIRED UP .
06:30	07:00	0.5	SERVICE RIG.
07:00	15:00	8.0	DRILL ROTATE F/ 3995' TO 4569' 574' ROP 71.75 WOB 18/20 MUD WT. 9.9 VIS.35.
15:00	16:00	1.0	SURVEY @ 4447' 2 1/2 DEG.
16:00	06:00	14.0	DRILL ROTATE F/ 4569' TO 5137' 568' ROP 40.5' WOB 18/20 MUD WT.10.2 VIS. 35. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT. 10.2 VIS.39.

BOP DRILL 1 NIGHT CREW

ACCIDENTS NONE REPORTED.

FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: MIXING CHEMICALS : EYE PROTECTION.

CREWS FULL.



FUEL ON HAND: 3477 GALS. USED 2003 GALS, RECIEVED 0 GALS.

FORMATION TOP: CHAPITA WELLS

GAS BG. 81 U, CONN 245 U.

LITHOLOGY, SAND/ SHALE %

MUD LOGGER UNMANNED ON LOCATION F/ 1/21/09.= 3 DAYS.

<b>01-25-2009</b>	<b>Reported By</b>	DAVID FOREMAN									
<b>Daily Costs: Drilling</b>	\$33,718	<b>Completion</b>	\$840	<b>Daily Total</b>	\$34,558						
<b>Cum Costs: Drilling</b>	\$490,600	<b>Completion</b>	\$840	<b>Well Total</b>	\$491,440						
<b>MD</b>	5,244	<b>TVD</b>	5,244	<b>Progress</b>	107	<b>Days</b>	3	<b>MW</b>	10.2	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: WASH &amp; REAM TO BTM

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL ROTATE F/ 5137' TO 5244' 107' ROP 12.5 WOB 12/25 MUD WT. 10.2 VIS. 38.
14:30	23:30	9.0	SLUG PIPE, DROP SURVEY, TRIP OUT F/ 5244' L/D REAMERS CHG.OUT MOTOR. SURVEY @ 5213' 2* DEG.
23:30	04:30	5.0	TRIP IN W/ BIT # 1 RR, TEST MOTOR TAG FILL @ 4900'.
04:30	06:00	1.5	WASH & REAM F/ 4900' TO 5244' BOTTOM.

BOILER 24 HRS.

MUD LOSS LAST 24 HRS. 0 BBLS.

MUD WT. 10.4 VIS.35.

ACCIDENTS NONE REPORTED.

FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: MIXING CHEMICALS : EYE PROTECTION.

CREWS FULL.

FUEL ON HAND: 2342 GALS. USED 1135 GALS, RECIEVED 0 GALS.

FORMATION TOP: CHAPITA WELLS

GAS BG. 79 U, CONN 102 U. TRIP GAS 1180 U.

LITHOLOGY, SAND/ SHALE %

MUD LOGGER UNMANNED ON LOCATION F/ 1/21/09.= 4 DAYS.

<b>01-26-2009</b>	<b>Reported By</b>	DAVID FOREMAN									
<b>Daily Costs: Drilling</b>	\$35,573	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,573						
<b>Cum Costs: Drilling</b>	\$526,173	<b>Completion</b>	\$840	<b>Well Total</b>	\$527,013						
<b>MD</b>	5,780	<b>TVD</b>	5,780	<b>Progress</b>	536	<b>Days</b>	4	<b>MW</b>	10.2	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 5780'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL ROTATE F/ 5244' TO 5418' 174' ROP 26.7 WOB 14/16 MUD WT. 10.2 VIS. 37. DRILLING LINE, BAD BIRD NEST ON FAST LINE NEAR BLOCK, COMING APART.
12:30	13:30	1.0	L/D D/P SET SWIVEL ON STOPS CIRC. ROTATE,CUT DRILL LINE 310'.
13:30	06:00	16.5	DRILL ROTATE F/ 5418' TO 5780' 362' ROP 21.9 WOB 14/22 MUD WT. 10.3 VIS. 36. BOILER 24 HRS. MUD LOSS LAST 24 HRS.125 BBLS.

MUD WT. 10.3 VIS.36.

ACCIDENTS NONE REPORTED.

FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: MIXING CHEMICALS : HOUSEKEEPING.

CREWS FULL.

FUEL ON HAND: 3347 GALS. USED 1995 GALS, RECIEVED 3000 GALS.

FORMATION TOP: CHAPITA WELLS

GAS BG. 69 U, CONN 112 U.

LITHOLOGY, SAND/ SHALE %

MUD LOGGER UNMANNED ON LOCATION F/ 1/21/09.= 5 DAYS.

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<b>01-27-2009</b>	<b>Reported By</b>	DAVID FOREMAN									
<b>DailyCosts: Drilling</b>	\$33,353	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,353						
<b>Cum Costs: Drilling</b>	\$559,527	<b>Completion</b>	\$840	<b>Well Total</b>	\$560,367						
<b>MD</b>	6,504	<b>TVD</b>	6,504	<b>Progress</b>	724	<b>Days</b>	5	<b>MW</b>	10.1	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING @ 6504'</b>											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL ROTATE F/ 5780' TO 5825' 45' ROP 22.5 WOB 20/22 MUD WT. 10.2.
08:00	08:30	0.5	SERVICE RIG
08:30	06:00	21.5	DRILL ROTATE F/ 5825' TO 6504' 679'ROP 31.5 WOB 18/20 MUD WT. 10.2.

BOILER 24 HRS.

MUD LOSS LAST 24 HRS.15 BBLs.

MUD WT. 10.2 VIS.36.

ACCIDENTS NONE REPORTED.

FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: TEAM WORK : HOUSEKEEPING.

CREWS FULL.

FUEL ON HAND: 1470 GALS. USED 1877 GALS.

FORMATION TOP: NORTH HORN

GAS BG. 43 U, CONN 98 U.

LITHOLOGY, SAND/ SHALE %

MUD LOGGER UNMANNED ON LOCATION F/ 1/21/09.= 6 DAYS.

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<b>01-28-2009</b>	<b>Reported By</b>	DAVID FOREMAN									
<b>DailyCosts: Drilling</b>	\$45,407	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,407						
<b>Cum Costs: Drilling</b>	\$604,934	<b>Completion</b>	\$840	<b>Well Total</b>	\$605,774						
<b>MD</b>	7,060	<b>TVD</b>	7,060	<b>Progress</b>	556	<b>Days</b>	6	<b>MW</b>	11.1	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: WIPER TRIP @ 7060'</b>											

Start	End	Hrs	Activity Description
06:00	04:00	22.0	DRILL ROTATE F/ 6504' TO 7060' 556' ROP 25.2 WOB 20/22 MUD WT. 11.1 VIS. 38. REACHED TD @ 04:00 HRS, 1/28/09.

04:00 04:30 0.5 CIRC. CLEAN.  
 04:30 06:00 1.5 WIPER TRIP.@ TD 7060'. E MAIL TO BLM F/ LONG STRING 1/28/09.

RIG MOVE ON THE 1/29/09 HOWCROFT TRUCKING 5.4 MILES TO CWU 734-33  
 BOILER 24 HRS.  
 MUD LOSS LAST 24 HRS. 0 BBLS.  
 MUD WT. 11.1 VIS.38.  
 ACCIDENTS NONE REPORTED.  
 FUNCTION TEST CROWN-O-MATIC.  
 SAFETY MEETING: LADDER & PPE : HOUSEKEEPING.  
 CREWS FULL.  
 FUEL ON HAND: 4000 GALS. USED 1970 GALS. REC. 4500 GALS.  
 FORMATION TOP: PRICE RIVER  
 GAS BG. 86 U, CONN 654 U.  
 LITHOLOGY, SAND/ SHALE %  
 MUD LOGGER UNMANNED ON LOCATION F/ 1/21/09.= 7 DAYS.

01-29-2009		Reported By		DAVID FOREMAN							
Daily Costs: Drilling		\$32,442		Completion		\$150,230		Daily Total		\$182,672	
Cum Costs: Drilling		\$637,376		Completion		\$151,070		Well Total		\$788,446	
MD	7,060	TVD	7,060	Progress	0	Days	7	MW	11.1	Visc	39.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: CEMENTED PROD. CASING / TEST WH											
Start	End	Hrs	Activity Description								
06:00	08:00	2.0	CIRC. CLEAN, FOR L/D DP & RUN CSG.								
08:00	15:00	7.0	SLUG PIPE, DROP SURVEY,LAY DOWN DRILL PIPE & BHA.								
15:00	16:00	1.0	RIG UP TO RUN CSG. SAFETY MEETING W/ CALIBER & RIG CREW.								
16:00	01:00	9.0	RUN CASING 4 1/2 RAN 165 JTS.N-80 LTC + 2 MARKER JTS.& 1 PUP JT. 11.6# P-110 LTC AS FOLLOWS FLOA SHOE 1JT.CSG. FLOAT COLLAR 13 JTS. CSG.1 MARJER JT. 53 JTS.CSG.1 MARKER JT.98 JTS. CSG. 1 PUP JT.+ DTO HANGER ASS.,FLOAT SHOE TOP@7055' FLOAT COLLAR TOP@7013' MARKER JTS.TOP @ 6442' & 4183' CENTRALIZERS, 5 FT. ABOVE SHOE,TOP OF JT.#2 & EVERY 3 TH. JT. TOTAL 15 .TAG @ 7060' LAY DOWN TA JT. SPACE OUT PICK UP HANGER CIRC. CSG W/ RIG PUMP. RIG DOWN CALIBER CASING. LAND CSG. W/ FULL STRING WT. 75.000								
01:00	02:00	1.0	CIRC. CLEAR CSG. SAFETY MEETING W/ SCHLUMBERGER AND RIG UP TO PUMP CEMENT.								
02:00	04:30	2.5	TEST LINES 4000 PSI. DROP BOTTOM PLUG PUMP 20 BBLS CHEM WASH & 20 BBLS WATER SPACER AHEAD OF LEAD.& CEMENT 7060' 4 1/2 N-80 11.6# LTC CSG. LEAD 360 SKS. 35/65 + ADDS MIX D020 6.%EXTENDER D176 2.% HIGH TEMPERA D112 .750 % FLUID LOSS D046.2% ANTIFOAM D013 .3% RETARDER D065 .2 % DISPERSANT D130 .125LB/SK BLEND LOST CIRC. YIELD 2.26 FT3/SK H20 12.904 GAL/SK@ 12. PPG. TAIL 865 SKS 50/50 POZ G + ADDS D020 2% EXTENDER D046 .1% ANTIFOAM D167 .2% FLUID LOSS D065 .2% DISPERSANT SOO1 1.% ACCELERATOR YIELD 1.29 FT3/SK H20 5.941 GAL/SK @ 14.1 PPG. SHUTDOWN WASH OUT PUMPS & LINES DROP TOP PLUG & DISP. TO FLOAT COLLER W/ FRESH WATER. 109 BBLS. AVG DISP. RATE 5. BPM FULL RETURNS THROUGH OUT JOB. DROP PLUG @ 03:58 BUMPED PLUG @ 04:34 TO 3000 PSI. 1000 PSI. OVER LIFT PRESS. HOLD PRESS.F/2 MINS.1 BBL. BACK, FLOAT HELD.@ 04:36 CEMENT I PLACE. RIG DOWN SCHLUMBERGER LINES. EST TOC AT 2048'.								
04:30	05:00	0.5	WAIT ON CEMENT								

05:00 06:00 1.0 REMOVE CEMENT HEAD & LANDING JT.M/U & LAND PACKOFF TEST 5000 PSI. LOOSEN DTO LOCK DOWN BOLTS W/ FMC.

01-30-2009 Reported By DAVID FOREMAN

DailyCosts: Drilling \$23,404 Completion \$1,355 Daily Total \$24,759

Cum Costs: Drilling \$660,780 Completion \$152,425 Well Total \$813,205

MD 7,060 TVD 7,060 Progress 0 Days 8 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start End Hrs Activity Description

06:00 10:00 4.0 NU/ND BOP & CLEAN PITS.

10:00 11:00 1.0 RIG DOWN PREPARE F/ TRUCKS.

11:00 14:00 3.0 RANDOM DRUG TEST

14:00 18:00 4.0 RIG DOWN PREPARE F/ TRUCKS @ 07:00 1/30/09 W/ MOVE TO CWU 734-33.

18:00 06:00 12.0 RDRT/ RIG MAINTENANCE.

06:00 RELEASED RIG @ 10:00 HRS, 1/29/09.

CASING POINT COST \$660,781

02-04-2009 Reported By SEARLE

DailyCosts: Drilling \$0 Completion \$38,590 Daily Total \$38,590

Cum Costs: Drilling \$660,780 Completion \$191,015 Well Total \$851,795

MD 7,060 TVD 7,060 Progress 0 Days 9 MW 0.0 Visc 0.0

Formation : PBTD : 7012.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 280' EST CEMENT TOP @ 490'. RD SCHLUMBERGER.

02-14-2009 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$1,603 Daily Total \$1,603

Cum Costs: Drilling \$660,780 Completion \$192,618 Well Total \$853,398

MD 7,060 TVD 7,060 Progress 0 Days 10 MW 0.0 Visc 0.0

Formation : WASATCH PBTD : 7012.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start End Hrs Activity Description

06:00 06:00 24.0 NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

02-20-2009 Reported By KERN

DailyCosts: Drilling \$0 Completion \$159,721 Daily Total \$159,721

Cum Costs: Drilling \$660,780 Completion \$352,339 Well Total \$1,013,120

MD 7,060 TVD 7,060 Progress 0 Days 11 MW 0.0 Visc 0.0

Formation : WASATCH PBTD : 7012.0 Perf : 5053'-6853' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start End Hrs Activity Description

06:00 06:00 24.0 RU CUTTERS WIRELINE & PERFORATE NH FROM 6667'-68', 6675'-76', 6683'-84', 6696'-97', 6730'-31', 6782'-84', 6787'-89', 6831'-33', 6852'-53' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7429 GAL LINEAR DELTA 200 W/1# & 1.5# 20/40 SAND, 33070 GAL DELTA 200 W/101700# 20/40 SAND @ 1-4 PPG. MTP 4848 PSIG. MTR 51.8 BPM. ATP 3922 PSIG. ATR 49.8 BPM. ISIP 2620 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6620'. PERFORATE Ba/NH FROM 6301'-02', 6319'-20', 6345'-46', 6423'-24', 6444'-45', 6492'-93', 6508'-09', 6514'-15', 6546'-47', 6559'-60', 6578'-79', 6594'-95' @ 3 SPF @ 120° PHASING RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6407 GAL LINEAR DELTA 200 W/1# & 1.5# 20/40 SAND, 24582 GAL DELTA 200 W/89000# 20/40 SAND @ 1-4 PPG. MTP 5018 PSIG. MTR 50.3 BPM. ATP 3975 PSIG. ATR 49.8 BPM. ISIP 2181 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6262'. PERFORATE Ba FROM 5931'-32', 5994'-95', 6014'-15', 6026'-27', 6062'-63', 6094'-95', 6155'-57', 6164'-65', 6187'-88', 6210'-11', 6226'-27' @ 3 SPF @ 120° PHASING RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 14815 GAL LINEAR DELTA 200 w/1# & 1.5# 20/40, 17416 GAL DELTA 200 W/61100# 20/40 SAND @ 1-3 PPG. MTP 4869 PSIG. MTR 51.5 BPM. ATP 3544 PSIG. ATR 50.1 BPM. ISIP 1458 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 5862'. PERFORATE Ca FROM 5648'-49', 5691'-93', 5699'-5700', 5704'-05', 5710'-12', 5715'-16', 5732'-33', 5755'-56', 5763'-64', 5824'-25' @ 3 SPF @ 120° PHASING RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 4250 GAL LINEAR DELTA 200 1# & 1.5#, 21684 GAL DELTA 200 W/79100# 20/40 SAND @ 1-4 PPG. MTP 3352 PSIG. MTR 50.2 BPM. ATP 2658 PSIG. ATR 49.9 BPM. ISIP 1281 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 5102'. PERFORATE Pp FROM 5053'-57', 5061'-65', 5068'-72' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/4281 GAL LINEAR DELTA 200 w/1# & 1.5# 20/40 SAND, 9363 GAL DELTA 200 W/36700# 20/40 SAND @ 1-4 PPG. MTP 3587 PSIG. MTR 50.6 BPM. ATP 3447 PSIG. ATR 49.9 BPM. ISIP 2310 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 4933'. RDWL. SDFN.

02-26-2009		Reported By		BAUSCH							
DailyCosts: Drilling		\$0		Completion		\$7,258		Daily Total		\$7,258	
Cum Costs: Drilling		\$660,780		Completion		\$359,597		Well Total		\$1,020,378	
MD	7,060	TVD	7,060	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : WASATCH			PBSD : 7012.0			Perf : 5053'-6853'			PKR Depth : 0.0		
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 4933'. RU TO DRILL OUT PLUGS. SDFN.								

02-27-2009		Reported By		BAUSCH							
DailyCosts: Drilling		\$0		Completion		\$17,973		Daily Total		\$17,973	
Cum Costs: Drilling		\$660,780		Completion		\$377,570		Well Total		\$1,038,351	
MD	7,060	TVD	7,060	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : WASATCH			PBSD : 6976.0			Perf : 5053'-6853'			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
07:00	06:00	23.0	CLEANED OUT & DRILLED OUT PLUGS @ 4933', 5102', 5862', 6262' & 6620'. RIH. CLEANED OUT TO 6976'. LANDED TBG AT 5043' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RU TO SWAB. MADE 6 SWAB RUNS & WELL STARTED FLOWING. RECOVERED 60 BF.								

FLOWED 13 HRS. 32/64 CHOKE. FTP 0 PSIG. CP 100 PSIG. 0 BFPH. NO FLUID RECOVERED. 4054 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8 4.7# J-55 TBG 31.64'  
 XN NIPPLE 1.30'  
 157 JTS 2-3/8 4.7# J-55 TBG 4995.66'  
 BELOW KB 13.00'  
 LANDED @ 5042.60' KB

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**02-28-2009**      **Reported By**      BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$6,590	<b>Daily Total</b>	\$6,590
<b>Cum Costs: Drilling</b>	\$660,780	<b>Completion</b>	\$384,160	<b>Well Total</b>	\$1,044,941

**MD**      7,060    **TVD**      7,060    **Progress**      0    **Days**      14    **MW**      0.0    **Visc**      0.0

**Formation : WASATCH**      **PBTD : 6976.0**      **Perf : 5053'-6853'**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	TP 0 PSIG, CP 150 PSIG. RU TO SWAB. IFL @ 300'. SWABBED 100 BF & WELL STARTED FLOWING.

FLOWED 16 HRS. 48/64 CHOKE. FTP 100 PSIG. CP 700 PSIG. 25 BFPH. RECOVERED 312 BLW. 3642 BLWTR.

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**03-01-2009**      **Reported By**      BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$1,830	<b>Daily Total</b>	\$1,830
<b>Cum Costs: Drilling</b>	\$660,780	<b>Completion</b>	\$385,990	<b>Well Total</b>	\$1,046,771

**MD**      7,060    **TVD**      7,060    **Progress**      0    **Days**      15    **MW**      0.0    **Visc**      0.0

**Formation : WASATCH**      **PBTD : 6976.0**      **Perf : 5053'-6853'**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP 200 PSIG. CP 650 PSIG. 15 BFPH. RECOVERED 376 BLW. 3266 BLWTR.

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**03-02-2009**      **Reported By**      BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$1,830	<b>Daily Total</b>	\$1,830
<b>Cum Costs: Drilling</b>	\$660,780	<b>Completion</b>	\$387,820	<b>Well Total</b>	\$1,048,601

**MD**      7,060    **TVD**      7,060    **Progress**      0    **Days**      16    **MW**      0.0    **Visc**      0.0

**Formation : WASATCH**      **PBTD : 6976.0**      **Perf : 5053'-6853'**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP 170 PSIG. CP 600 PSIG. 10 BFPH. RECOVERED 252 BLW. 3014 BLWTR. SWI @ 6:00 AM. WO FACILITES.

FINAL COMPLETION DATE: 3/1/09

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**03-06-2009**      **Reported By**      DUANE COOK

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$660,780	<b>Completion</b>	\$387,820	<b>Well Total</b>	\$1,048,601



MD 7,060 TVD 7,060 Progress 0 Days 17 MW 0.0 Visc 0.0

Formation : WASATCH

PBTD : 6976.0

Perf : 5053'-6853'

PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 500 PSI & CP 900 PSI. TURNED WELL TO QUESTAR SALES AT 1:00 PM, 03/05/09. FLOWED 202 MCFD RATE ON 14/64" POS CHOKE. STATIC 283. QGM METER #8097.

03-09-2009 Reported By DUANE COOK

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$660,780	Completion	\$387,820	Well Total	\$1,048,601

MD 7,060 TVD 7,060 Progress 0 Days 18 MW 0.0 Visc 0.0

Formation : WASATCH

PBTD : 6976.0

Perf : 5053'-6853'

PKR Depth : 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	3/7/09 - FLOWED 200 MCF, 0 BC & 130 BW IN 20 HRS ON A 14/64" CHOKE, TP 500 PSIG, CP 1000 PSIG.

3/8/09 - FLOWED 167 MCF, 0 BC & 144 BW IN 24 HRS ON A 14/64" CHOKE, TP 450 PSIG, CP 900 PSIG.

3/9/09 - FLOWED 147 MCF, 0 BC & 128 BW IN 24 HRS ON A 14/64" CHOKE, TP 400 PSIG, CP 800 PSIG.

03-10-2009 Reported By DUANE COOK

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$660,780	Completion	\$387,820	Well Total	\$1,048,601

MD 7,060 TVD 7,060 Progress 0 Days 19 MW 0.0 Visc 0.0

Formation : WASATCH

PBTD : 6976.0

Perf : 5053'-6853'

PKR Depth : 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 147 MCF, 0 BC & 134 BW IN 24 HRS ON A 14/64" CHOKE, TP 450 PSIG, CP 800 PSIG.

03-11-2009 Reported By DUANE COOK

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$660,780	Completion	\$387,820	Well Total	\$1,048,601

MD 7,060 TVD 7,060 Progress 0 Days 20 MW 0.0 Visc 0.0

Formation : WASATCH

PBTD : 6976.0

Perf : 5053'-6853'

PKR Depth : 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 136 MCF, 0 BC & 120 BW IN 24 HRS ON A 14/64" CHOKE, TP 450 PSIG, CP 800 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No.  
UTU0285A

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other  
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.  
CHAPITA WELLS

2. Name of Operator  
EOG RESOURCES, INC. Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 760-25

3. Address 1060 E. HWY 40  
VERNAL, UT 84078

3a. Phone No. (include area code)  
Ph: 453-781-9145

9. API Well No.  
43-047-39909

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon

At top prod interval reported below SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon

At total depth SENW 1990FNL 2009FWL 40.00880 N Lat, 109.39057 W Lon

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey  
or Area Sec 25 T9S R22E Mer SLB

12. County or Parish  
UINTAH 13. State  
UT

14. Date Spudded  
11/06/2008

15. Date T.D. Reached  
01/28/2009

16. Date Completed  
☐ D & A ☒ Ready to Prod.  
03/05/2009

17. Elevations (DF, KB, RT, GL)\*  
5073 GL

18. Total Depth: MD 7060  
TVD

19. Plug Back T.D.: MD 6976  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
RST/CBL/CCL/VDL/GR

22. Was well cored? ☒ No ☐ Yes (Submit analysis)  
Was DST run? ☒ No ☐ Yes (Submit analysis)  
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0		2374		950		0	
7.875	4.500 N-80	11.6		7055		1225		490	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	5043							

25. Producing Intervals

26. Perforation Record 5053

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5053	6853	6667 TO 6853		3	
B)			6301 TO 6595		3	
C)			5931 TO 6227		3	
D)			5648 TO 5825		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
6667 TO 6853	40,664 GALS OF GELLED WATER & 101,700# 20/40 SAND
6301 TO 6595	31,154 GALS OF GELLED WATER & 89,000# 20/40 SAND
5931 TO 6227	32,231 GALS OF GELLED WATER & 61,100# 20/40 SAND
5648 TO 5825	25,934 GALS OF GELLED WATER & 79,100# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/05/2009	03/08/2009	24	→	0.0	167.0	144.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64	SI	900.0	→	0	167	144		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #68960 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* APR 20 2009

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## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

## 29. Disposition of Gas(Sold, used for fuel, vented, etc.)

SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
WASATCH	5053	6853		GREEN RIVER BIRDS NEST ZONE MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1632 1766 2268 4488 4601 5187 5859 6860

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7 Other:      |                       |

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #68960 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICKENZIE THACKERTitle OPERATIONS CLERK

Signature \_\_\_\_\_ (Electronic Submission)

Date 04/15/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**Chapita Wells Unit 760-25 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

5053-5072	3/spf
-----------	-------

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

5053-5072	13,644 GALS GELLED WATER & 36,700# 20/40 SAND
-----------	---

Perforated the North Horn from 6667'-68', 6675'-76', 6683'-84', 8896'-97', 6730'-31', 6782'-84', 6787'-89', 6831'-33', 6852'-53' w/ 3 spf.

Perforated the Ba/North Horn from 6301'-02', 6319'-20', 6345'-46', 6423'-24', 6444'-45', 6492'-93', 6508'-09', 6514'-15', 6546'-47', 6559'-60', 6578'-79', 6594'-95' w/ 3 spf.

Perforated the Ba from 5931'-32', 5994'-95', 6014'-15', 6026'-27', 6062'-63', 6094'-95', 6155'-57', 6164'-65', 6187'-88', 6210'-11', 6226'-27' w/ 3 spf.

Perforated the Ca from 5648'-49', 5691'-93', 5699'-5700', 5704'-05', 5710'-12', 5715'-16', 5732'-33', 5755'-56', 5763'-64', 5824'-25' w/ 3 spf.

Perforated the Pp from 5053'-57', 5061'-65', 5068'-72' w/ 3 spf.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 760-25

API number: 4304739909

Well Location: QQ SEW Section 25 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,090	1,105	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE

*Mickenzie Thacker*

DATE

4/15/2009



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3160  
(U-922)

September 29, 2009

EOG Resources Inc.  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202

Re: Non-Paying Well Determination  
CWU 760-25 Well, Chapita Wells Unit  
Uintah County, Utah

Gentlemen:

Pursuant to your request of September 23, 2009, it has been determined by this office that under existing conditions the following well is not capable of producing unitized substances in paying quantities as defined in Section 9 of the unit agreement.

API Number	Well Name	Location	Comp. Date	Lease
4304739909	CWU 760-25	SENW 25 9.0 S 22.0 E SLB&M	03/05/2009	UTU0285A

All past and future production from this well shall be handled and reported on a lease basis.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond  
Chief, Branch of Fluid Minerals

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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39909	CHAPITA WELLS UNIT 760-25		SENW	25	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	4905	<u>17377</u>	11/6/2008			<u>3/5/09</u>	
Comments: <u>WASATCH</u> <u>non-paying quantities</u> <u>10/13/09</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

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**ACTION CODES:**

DIV. OF OIL, GAS & MINING

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity

Mickenzie Gates

Name (Please Print)

Mickenzie Gates  
Signature